

18th November 2015**Agenda Item: 5****REPORT OF THE SERVICE DIRECTOR – CUSTOMERS AND HUMAN
RESOURCES****NOTTINGHAMSHIRE COUNTY COUNCIL WORKFORCE PLANNING
INFORMATION AS AT 30TH SEPTEMBER 2015****Purpose of the Report**

1. The purpose of this regular, quarterly report is to provide Elected Members with an updated overview of the position in relation to the County Council's directly employed workforce and to highlight trends relating to this data.

Information and Advice**Background:**

2. The Council is committed to an integrated, structured and strategic approach to its overall workforce planning. Workforce information enables the Council to effectively monitor the on-going impact of organisational change and transformation on the number and nature of its staff and assist it to plan its future staffing and skills requirements.
3. Critical to success is accurately establishing and planning for urgent and future staffing requirements and identifying what type of skills, knowledge, experience and aptitudes the Council needs to have available. This is based on an ongoing prediction of key service demands and major workforce issues, subject to regular review to reflect changes in requirements.
4. This approach relies on equipping the Council's workforce to be more mobile and flexible in working across the organisation and with partners with effective cross skills training and development. It also necessitates adopting a more systematic approach to retraining, redeployment and career development which includes identifying horizontal, rather than vertical, career opportunities.
5. The new workforce planning model will enable the Council to be responsive to supply and demand and is reflected in the Council's new Workforce Strategy for 2016-2018 which is currently under development.

Headcount:

6. The actual County Council headcount figure for non-school based staff **as at 30th September 2015** is 8,789. This includes directly employed permanent staff and staff on fixed term contracts and excludes relief, supply and casual employees. Since April 2015 this represents an in year overall headcount reduction to date of **79** from 8,868.
7. The trend of overall reduction in workforce numbers is due to a number of reasons including the implementation of Service Reviews and organisational re-design of the Council with resultant redundancies and transfer out of some staff, as well as natural turnover and retirement.
8. Moving forward, there may be considerable fluctuation in workforce numbers arising from the need to respond to the increasing demands of new legislative requirements in Adult Social Care balanced against the impact of the adoption of a range of Alternative Service Delivery Models for Libraries, Highways and Property Services.

Vacancy Management:

9. The intention of the Council's current Vacancy Control arrangements is to ensure robustness and consistency of vacancy management to enable agreed post reductions to be made with the minimum number of compulsory redundancies by deleting vacant posts and providing redeployment opportunities for employees at risk of redundancy.
10. The Vacancy Control statistics in **Appendix A (i) and A (ii)** reflect the period April 2015 to August 2015 and September 2015 respectively to reflect the new departmental structure implemented from 1st September 2015. The majority of vacancies in this period have been filled on a permanent basis. This is reflected in the appendices and reflects the ongoing imperative to sustainably fill qualified front line posts in both Adult and Children's Social Care.
11. Another area where permanent recruitment through the Vacancy Control process continues to be high is front line posts in Traded Services functions, in particular school catering linked to the need to maintain contractual requirements relating to school meal numbers.
12. A total of **752** vacancies went through the vacancy control process with the following outcomes:
 - Permanent – **409** posts
 - Fixed term – **311** posts
 - Agency workers – **32** posts

Turnover:

13. The most recent Local Government Association Workforce Survey for the year 2013/14 shows that the Local Government average turnover had increased to **11.90%** from **11.40%** in the previous year.
14. The most recently available CIPFA Value for Money benchmarking data (2013/14), measures turnover through leavers, excluding redundancies. Against all the County Councils in the benchmarking group the average against this indicator is **9.70%**, whilst across all local authorities who are members of the benchmarking network, it is **10.50%**.
15. Given the activity around transformation of services within the County Council some redundancies are to be expected. When redundancies are factored in the NCC turnover rate, calculated as the mean average over the previous 12 month period, currently stands at **9.5%**, compared to **10.80%** at the previous quarter, making the overall turnover level over the previous 12 months **9.9%**.
16. The table in **Appendix B** incorporates details of the reasons for leaving for the second quarter of the current year and includes directly employed permanent staff and staff on fixed term contracts and excludes relief, supply and casual employees.
17. As has been previously recognised, natural turnover inevitably occurs as employees reach retirement age, gain alternative employment, transfer to other employers or choose to leave work for other often positive reasons and **Appendix B** gives some useful insight into the reasons people give for moving on.
18. This information provides details of the reasons given for leaving, divided into the previous four quarters. The most common reason for leaving in every quarter by a considerable margin continues to be “resignation” which covers employees who are successful in securing a new job including promotion either internally or externally; employees who choose to leave for family reasons including those who choose not to return after maternity leave or career break, and employees who choose to return to full time education. Further work is being undertaken to breakdown this category further to provide more details for members.
19. The second highest reason for leaving is retirement which relates to those employees who can access their accrued pension benefits and the third highest reason is voluntary redundancy.
20. The use of this information is an important part of workforce planning and the need to understand why employees choose to leave allows us to identify whether specific actions are required. For example if employees are leaving from a particular area or profession, there may be a need to consider and review recruitment and retention strategies or investigate more closely the reasons for staff moving on.

21. Information is currently gathered on these reasons from a range of sources, including the BMS forms managers complete, exit questionnaires, leaver interviews and anecdotal information from our agency managed service provider where in some cases people leave employment to pursue opportunities with other employers as part of a contingent workforce.

Redundancies:

22. All reasonable mitigations are considered in order to reduce the impact of post deletions arising from service review on individual employees. These include vacancy control, redeployment, effective workforce planning (including retraining / reskilling), reduced working hours and, wherever possible, volunteers for redundancy are given priority consideration.

23. The following table provides an update on the confirmed number of overall redundancies during the current year to date, as at **30 September 2015**, and also the previous two financial years.

	2013/14	2014/15	2015/16	Overall Total To date	%
Voluntary Redundancy	134	227	37	398	85.2%
Compulsory Redundancy	14	45	10	69	14.8%
Total:	148	272	47	467	

24. As the next stage of major organisational change impacts it will become increasingly difficult to achieve a majority of necessary post reductions by voluntary means.

25. The trades unions continue to work closely with management at a corporate level through the Joint Redundancy and Redeployment Working Group to ensure that the potential to reduce the number of compulsory redundancies is fully and consistently explored and maintained.

26. The full range of mitigations, including the Vacancy Control and associated redeployment search, retraining and job search support will remain in place to help manage and minimise the impact on individuals. The current outcomes of these processes are described below:

Redeployment:

27. Every effort continues to be made to support employees at risk of redundancy by seeking redeployment into suitable alternative employment opportunities.

This includes the Council's on-line redeployment portal for employees at risk of redundancy.

28. A successful redeployment relies on the full and flexible engagement of the individual employee in the redeployment search process and the consistent commitment of all managers to providing at risk employees with well supported trial periods in potentially appropriate alternative posts.
29. During quarter 2 the number of employees identified at risk of redundancy who were redeployed equated to a **55.3%** success rate, broadly comparable to 55.5% at the previous quarter.
30. This should be considered in the context of the percentage of all redundancies that are currently being achieved by voluntary means and the impact of ongoing organisational change on a declining number of vacant posts available for redeployment.
31. The Council continues to aim to offer every reasonable support to engage redeployees in accessing skills based training and retraining opportunities to maximise their potential to be redeployed into suitable alternative posts.

Other support for employees at risk of redundancy:

32. The Council remains actively committed to pro-actively assisting staff at risk of redundancy to remain in its overall employment wherever possible and to support staff to respond positively to the impact of service and organisational change.
33. A dedicated intranet site offers an extensive range of on-line support and guidance covering a wide range of topics ranging from career planning, CV writing and interview skills, dealing with change to planning for retirement and financial management.
34. This support package is continually reviewed, extended and improved, in conjunction with trades union colleagues, to reflect feedback from employees and additional events are made available, on a Countywide basis, on a demand led basis. Access to the support package extends to all employees facing change at work but those at risk are prioritised.
35. The provisions continue to be well utilised, between April 2013 and September 2015 employees made a total of **7,667** unique views of the available information and associated support guides and documents.
36. Information regarding training events and individual support sessions is also accessible via the internet so employees can access this from outside of their work base if they wish.
37. Demand for training and support sessions is likely to increase later in the financial year as the impact of further organisational and service review impacts. The current suite of provision designed to support employees through change

has been in place for several years and is regularly reviewed and updated to ensure ongoing relevance.

38. In the period since 1st April 2015 to 30th September 2015 a further **17** training and support sessions were offered, run in partnership with external providers including Job Centre Plus and Futures. These sessions were attended by an additional **76** employees and **16** further events have been arranged.

TUPE Transfers:

39. The overall impact of staffing reductions needs to be considered in the context of fluctuations in the workforce due to the implementation of transfers of staff in and out of the authority under the terms of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).
40. As further Service Reviews are undertaken the number of TUPE transfers out arising from the implementation of new and existing agreed alternative service delivery models will increase significantly.
41. Currently activity is minimal, during the second quarter of 2015/16, a further 3 employees transferred out of the authority as the following table indicates:

TUPE transfers	2014/15		2015/16 to date	
	In	Out	In	Out
Catering and Cleaning	1	69	0	95
Economic Development			1	0
ASCHPP Joint Commissioning	1	0		
Rampton Hospital Library	0	2		
Community Safety Team	1	0		
Ranby Prison Library				3
Total	3	71		

Use of Agency Workers:

42. The latest quarter's figures for agency workers, consultants and interims can be found in **Appendix C**. The quarter to 30th September 2015 has seen an increase of 13 agency workers since the previous report and a reduction of 2 consultants overall.
43. The reported difficulties regarding high usage of agency workers in Children's Social Care remain with a further increase of 11 qualified social workers from the previous quarter. Efforts are ongoing to reduce the reliance on agency social workers but the nationally recognised difficulties continue to present significant challenges to achieving this.
44. There is an increase in usage in Adults Social Care and Health with the figure rising from 64 to 70 over the last quarter. Some of the increase in longer term use can be explained by the need to complete Best Interest Assessments but also with the extended placements of some agency workers

to cover in residential and day services whilst the permanent workforce seek to secure their employment in new roles.

45. The increased figure for the new Resources department is due to Business Support now coming under the responsibilities of the Service Director, Customers and Human Resources. This accounts for 28 agency business support workers who are predominantly supporting children's social care with some additional resources supporting Deprivation of Liberty and Best Interest Assessments in Adult Social Care and Health.
46. There have been small reductions in agency requirements in Highways, Legal Services and ICT.
47. Close scrutiny of all agency requests through the vacancy control process continues to be applied and decisions to use this category of staff is challenged where appropriate.

Reasons for Recommendations

48. The regular provision of this information will enable Members to continue to review the impact of the Council's transformation under *Redefining Your Council* in terms of the numbers of people directly employed by the organisation. In relation to the profile of the Council's workforce it will continue to be monitored in line with statutory reporting requirements and Members will be updated on this through annual reports to Personnel Committee.

Statutory and Policy Implications

49. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Human Resources Implications

50. The trades unions continue to be actively engaged through the Joint Redundancy and Redeployment Working Group and the Council's Joint Consultative and Negotiating framework in ensuring that appropriate mitigations reduce the number of redundancies, particularly compulsory redundancies. The trades unions have noted the contents of the report.

Equalities Implications

51. The Council's Enabling Procedure and Early Retirement and Redundancy and Redeployment policies apply equally to all directly employed staff. These procedures contain guidance which ensures appropriate and consistent

management of the redundancy consultation and selection processes and that this is undertaken in compliance with the requirements of the Equality Act 2010.

52. Equality Impact Assessments are undertaken as appropriate and are an integral part of the Service Review process to ensure that implications of any proposed changes for service users and staff are identified and action taken to address any specific issues or disproportionate impacts on particular groups arising from the proposed changes.
53. This Committee has also received an update report summarising the profile of the County Council's workforce, as at 1st April 2015, as part of an established annual reporting regime. The report highlights that despite post reductions, the representation of disabled people, people from black and ethnic minority groups and the balance of male and female employees in the workforce continues to remain fairly constant and comparable with the representation in the local community.

Financial Implications

54. The range of mitigations in place help to ensure that, wherever possible, at risk staff are redeployed to suitable alternative posts thus maintaining the Council's investment in their skill development and reducing the cost of redundancy compensation payments, and, where the redundant employee is over 55 years of age, under Local Government Pension Scheme Regulations, the early release of their pension benefits.
55. The financial cost of redundancies to the Council is factored into the Medium Term Financial Strategy and actual costs are reported on an annual basis through the Statement of Accounts.

RECOMMENDATIONS

It is recommended that Members note:

1. The updated workforce planning information and trends contained within this report.
2. The relative impact of redundancies and associated mitigations, natural turnover, vacancy control and TUPE transfers on the overall number of employees.
3. The range of mitigating measures and support provisions which continue to be used to minimise the impact in respect of compulsory redundancies.

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Constitutional Comments (SLB 26/10/15)

56. This report is for noting only.

Financial Comments (SES 22/10/15)

57. The financial implications are set out in the report.

Human Resources Comments (CLG 14/10/15)

58. The human resources implications are implicit in the body of the report.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All